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DATE-2-23-05

TO- U.S.D.A. AGRICULTURAL MARKETING SERVICES

FAX-202-720-9776

FROM - KW CROSBY HOPS INC
7798 CROSBY RD NE
WOODBURN, OREGON
97071

BY- KEVIN CROSBY- PRES

PHONE 1-503-580-9372

Re Question about which base establishment period our group supports responding to the letter received from U.S.D.A.. *HOP MARKETING ORDER [PROPOSED]*

In regards to your letter I have decide I will support the marketing order representative base period for the periods of time 1997-2002. If we decide the other option I feel the net effect will be to penalize the grower who was responsible and voluntarily reduced there hop acreage during the difficult period from 96-02, thus rewarding the portion of the industry responsible for our current oversupply position. Also this will also help those who are completely out of the business and currently holding harvesting assets return to growing hops which will create a stronger less consolidated industry and bring back some value to there families who now hold useless machinery and were driven out of the production of hops by the large producers.

Respectfully Submitted



Kevin W. Crosby
K.WCrosby Hops Inc..

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FEB. 23. 2005 12:17PM

USDA/AMS L&RR STAFF

NO. 8717



PROGRAM ANNOUNCEMENT



AGRICULTURAL MARKETING SERVICE

United States Department of Agriculture • 1400 Independence Ave., SW • Room 3910-S
Washington, DC 20250 • (202) 726-8990 • World Wide Web: <http://www.ams.usda.gov>

AMS No. 032 -05

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USDA REQUESTS ADDITIONAL INPUT ON REPRESENTATIVE PERIOD FOR PROPOSED HOPS MARKETING ORDER

WASHINGTON, Feb. 23, 2005 — The U.S. Department of Agriculture today announced that it is seeking input to help determine the representative base period for a proposed marketing agreement and order for hops grown in California, Idaho, Oregon, and Washington State.

USDA's Agricultural Marketing Service is considering two possible representative base periods: 1) 1997 through 2002; and 2) the six most recent crop years preceding implementation of the proposed marketing order.

The proposal to establish a hop marketing order was submitted by the Hop Marketing Order Proponent Committee, a group of industry members who support a marketing order for hops. A public hearing on the proposal was held in October 2003, where USDA heard testimony and received evidence from industry participants.

The marketing order would authorize volume control measures in the form of producer allotments to regulate the marketing of alpha acid in hops in the production area. Alpha acid, the bittering agent used in brewing beer, is the primary marketable component of hops. Under producer allotment programs, establishing an allotment base for each producer provides a means for allocating the annual salable quantity. This base is established in terms of prior production during a representative period.

The request for input will appear in the Feb. 24 *Federal Register*. Copies may be obtained by mail from Barry Broadbent, Marketing Specialist, AMS Fruit and Vegetable Programs, USDA Northwest Marketing Field Office, 1220 S.W. Third Ave., Suite 385, Portland, OR 97204; by telephone at (503) 326-2724 or by fax at (503) 326-7440.

Input must be received by [30 days after publication in *Federal Register*] and should be mailed to: Hearing Clerk, U.S. Department of Agriculture, room 1081-S, Washington, DC 20250-9200. Input may be faxed to (202) 720-9776 or e-mailed through the Federal eRulemaking portal at <http://www.regulations.gov>.